

STEVENAGE BOROUGH COUNCIL

EXECUTIVE
MINUTES

Date: Tuesday 22 November 2016

Time: 14.00 hrs.

Place: Shimkent Room, Daneshill House, Stevenage SG1 1HN

Present: Councillors S Taylor OBE CC (Chair), J Gardner (Vice-Chair), S Batson MBE DL CC, Mrs J Lloyd, R Henry CC, R Raynor, S Speller and J Thomas

Start/End Time: Start Time: 14.00 hrs.
End Time: 16.35 hrs.

1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

There were no apologies for absence or declarations of interest.

2. MINUTES – EXECUTIVE – 18 OCTOBER 2016

It was **RESOLVED** that the Minutes of the meeting held on 18 October 2016 are approved as a correct record for signature by the Chair.

3. MINUTES – OVERVIEW & SCRUTINY COMMITTEE AND SELECT COMMITTEES

It was **RESOLVED** that the Minutes of the following meetings are noted -

- A. Environment & Economy Select Committee – 12 October 2016
- B. Community Select Committee – 19 October 2016
- C. Overview & Scrutiny Committee – 24 October 2016
- D. Community Select Committee – 25 October 2016
- E. Environment & Economy Select Committee – 31 October 2016

4. 2016/2017 MID YEAR TREASURY MANAGEMENT REVIEW

The Executive considered a report for recommendation to Council for the approval of updates to the 2016/17 Treasury Management and Investment Strategy.

It was **RESOLVED** that the following be recommended to Council -

1. That the 2016/17 Treasury Management Mid-Year Review and the prudential and treasury indicators in this report be approved.

2. That the removal of the current treasury management limit to maintain £10Million in instant access or overnight balances limits (as shown at paragraph 4.7.9 and Appendix C of the report) be approved.

3. That the latest approved Countries for investments as shown at paragraph 4.7.11 and Appendix D of the report be agreed.

4. That it be noted that the Audit Committee has requested that any short term borrowing that was caused as a result of cash flow shortages from not holding £10Million in instant access accounts, is reported to that Committee.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

5. REVISION TO CONTRACT STANDING ORDERS 2016

REPORT WITHDRAWN

This report appeared on the agenda for Executive erroneously as it is a matter for the Audit Committee to report to Council.

6. STEVENAGE BOROUGH COUNCIL CO-OPERATIVE CORPORATE PLAN FUTURE TOWN FUTURE COUNCIL

The Executive considered a report that sought approval of the Council's Corporate Plan - Future Town Future Council.

The Executive welcomed the document as it was clear and concise in setting out the priorities that reflected the views of local people.

Referring to the detail of the Corporate Plan it was considered that there was a need to reflect SBC as a Co-operative Council across all priorities. Additionally, under the Ambition 'Excellent Council Homes for Life' the description should use the term 'high-quality homes' instead of 'houses'.

In reply to a Member's question the Strategic Director (Community) stated that he understood that no appointments had been made to date to the Neighbourhood Warden posts, a matter he would confirm. Members were concerned that there had been a delay in these posts being advertised. Options concerning the future advertisement and deployment of these posts should be given further consideration. The Leader was to further discuss this matter with the Portfolio Holder for Neighbourhoods and Co-operative Council and the Strategic Director (Community).

It was RESOLVED:

1. That subject to revisions discussed by the Executive the Council's draft Corporate Plan 'Future Town Future Council', as shown at Appendix 1 to the

report, is approved for recommendation to Council.

2. That delegated authority be given to the Chief Executive, following consultation with the Leader, to approve any final changes to the Plan.

Reason for Decision: As contained in the report and 1. to take account of the suggested changes made by the Executive.

Other Options Considered: As contained in the report.

7. HOUSING REVENUE ACCOUNT BUSINESS PLAN REVIEW

The Executive considered a report that sought approval to the HRA Business Plan.

It was reported that the decision of the Government not to implement the so-called 'pay-to-stay' proposals whereby higher-earning social housing tenants would have to pay more in rent was not reflected in the Draft Plan and therefore it would be necessary to amend the document accordingly.

Members congratulated officers for producing a very clear document that addressed a very complex matter.

In response to a Member's question the Strategic Director (Community) confirmed that the Plan did take account of the resource needs resulting from both the Housing Quality Network and the Repairs and Voids Reviews.

During the debate the Leader reported that the review of the Allocations Policy would take place in early 2017.

The Executive was of the view that it was important to emphasise that the 30 year Business Plan resulted in £1Billion being spent on Housing and that this included building new homes and investment in the current stock.

The Leader stated that lobbying of Government Ministers continued regarding the removal of the debt cap but it was noted that Councils also had to retain a level of headroom to address risks in relation to Government Policies including Right-to-Buy and Higher Value Void Levy and others that might come into force during the plan period.

It was suggested that the Plan should be reviewed annually by the five Member, Housing Management Board representative, Officer Groups that were established to assist with the drafting of the Business Plan.

It was **RESOLVED** :

1. That the key challenges, proposals and changes to the HRA Business Plan and 30-year Financial Plan, as shown in the tables at paragraphs 4.1.1 to 4.1.3 of this report be agreed, subject to approval of the savings options that

are recommended in the Part II report at item 15 on this agenda and amendment due to the Government's decision not to implement the 'Pay-to-Stay' proposals.

2. That the proposal to revise the HRA Business Plan assumptions to include new borrowing, as set out in paragraphs 4.2.4 and 4.2.5 of the report is agreed.

3. That the specific proposal to offer 50% of new build units at affordable rent levels is agreed, subject to approval of the revised Rent and Service Charge Policy and its implementation being kept under review by the Housing Development Executive Committee, to inform future decision making in this regard. The relevant addition to the Committee's terms of reference is agreed to reflect this decision.

4. That the HRA Business Plan document is revised to reflect the proposals contained in this report (subject to necessary amendment detailed in 1 above) and that delegated authority is given to the Strategic Director (Community), following consultation with the Leader, the Executive Portfolio Holder for Housing, Health and Older People and the Executive Portfolio Holder for Resources, to agree the final version of the plan.

5. That the officer HRA Business Plan Implementation Group continues to track delivery of the plan and report into the Housing Management Board.

*Reason for Decision: As contained in the report and to reflect the Government's decision not to implement the so called 'pay-to-stay' proposals.
Other Options Considered: As contained in the report.*

8. REVISED RENT AND SERVICE CHARGE SETTING POLICY (RESIDENTIAL PROPERTIES)

The Executive considered a report that recommended amendments to the Council's Rent and Service Charge Policy.

Officers confirmed that the recommendation regarding the revised Rent and Service Charge Policy would be reported in the Special Council meeting in January 2017 in conjunction with the Rents Setting and HRA budget report.

It was noted that as with the previous report, the Policy would have to be amended to account for the decision of the Government not to implement the so-called 'pay-to-stay' proposals whereby higher-earning social housing tenants would have to pay more in rent.

The Executive considered that the policy would make the service charges much more transparent to tenants and leaseholders. However, it was important to be aware of how many households would be affected, and to what extent, by the higher charges as it might be necessary to consider phasing these charges in if they were to cause financial hardship.

It was also considered that with the clear charges tenants and leaseholders would have a heightened expectation for the individual service/work to be

delivered. The Leader expressed the view that the future Flat Block Procurement might also include provision for Flat Block Inspectors to ensure that the necessary works were carried out.

It was **RESOLVED** that Council be recommended to approve the revised Rent and Service Charge Policy (Appendix A), to be included as part of the HRA final budget and rent setting report to Council on 31 January 2017 subject to amendment due to the Government's decision not to implement the 'Pay-to-Stay' proposals

*Reason for Decision: As contained in the report and to reflect the Government's decision not to implement the so called 'pay-to-stay' proposals.
Other Options Considered: As contained in the report.*

9. SECOND QUARTER MONITORING REPORT – GENERAL FUND AND HOUSING REVENUE ACCOUNT

The Executive considered a report that updated Members on the General Fund and HRA 2016/17 net expenditure and that sought approval for the revisions to the 2016/17 revenue budgets and the allocated reserves.

The Executive noted a typographical error in the Chart shown at paragraph 4.7.1 – the third column of figures related to 'arrears over 4 weeks but less than a year', rather than 'arrears over 1 week but less than a year' as quoted.

In response to a Member's question the Strategic Director (Environment) stated that a preferred candidate for the post of Town Centre Manager had been selected and it was hoped that the individual would be in post in the New Year.

The Executive recorded its thanks to Geoff Caine who had been undertaking support for events in the Town Centre in the absence of a Town Centre Manager.

At this juncture the Leader drew attention to the very successful 70th Anniversary Celebrations and the work of Stevenage Oak. The Celebrations had culminated in the finale weekend that was well received by all who had attended the individual events which had been interesting, thought provoking and reflective. She paid particular tribute to the Portfolio Holder for Neighbourhoods and Co-operative Council, Jo Ward from the Museum and Hilary Spiers of Stevenage Oak.

Members recognised that the events were led by the people of the Town and not the Council and it was hoped that there would be a positive legacy from the celebrations and would make a good case study of co-operative working.

It was **RESOLVED**

1. That the 2016/17 2nd quarter General Fund projected net increase in

expenditure of £109,760 is approved.

2. That it is noted that the cumulative increases made to the General Fund net budget remain within the £400,000 (increase) variation limit delegated to the Executive.

3. That the progress of the 2016/17 approved savings and growth bids, the carry forward requests and New Homes Bonus projects is noted.

4. That the 2017/18 ongoing net savings of £35,190 that will contribute to the General Fund saving target for future years is approved.

5. That a transfer of £109,440 to the regeneration asset allocated reserve (para 3.3.1) and a transfer of £17,440 to the town centre allocated reserve (para 3.3.2) is approved.

6. That the 2016/17 2nd quarter net increase in HRA surplus of £194,950 is approved.

7. That it is noted that the cumulative increases to the HRA net budget still remain within the £250,000 (increase) variation limit delegated to the Executive.

8. That the progress of the 2016/17 approved savings, growth bids and the carry forward requests is noted.

Reason for Decision: As contained in the report.

Other Options Considered: As contained in the report.

10. SECOND QUARTER CAPITAL STRATEGY UPDATE

The Executive considered a report that sought approval for the revisions on the General Fund and HRA Capital Programme.

It was **RESOLVED:**

1. That the 2016/17 General Fund capital programme net decrease in expenditure of £909,100 is approved, as summarised in paragraph 4.1.2. of the report.

2. That the 2016/17 Housing Revenue Account capital programme net decrease in expenditure of £877,000 is approved, as summarised in paragraph 4.2.2. of the report.

3. That the 2017/18 General Fund capital programme increase in expenditure of £792,450, is approved, as summarised in paragraph 4.3.1. of the report.

4. That the 2017/18 Housing Revenue Account capital programme decrease in expenditure of £436,290 is approved, as summarised in paragraph 4.3.2. of the report.

Reason for Decision: As contained in the report.
Other Options Considered: As contained in the report.

11. APPOINTMENT OF EXTERNAL AUDITORS (FOR AUDIT OF ACCOUNTS FROM 2018/19 ONWARDS)

The Executive considered a report for recommendation to Council on the preferred mechanism for the appointments of the Council's external auditors for the Statement of Account, 2018/2019 onwards.

It was **RESOLVED** that Council be recommended to agree that the Council opts in to the appointing person arrangements provided by Public Sector Audit Appointments (PSAA) for the appointment of external auditors for a five year period commencing on 1 April 2018.

Reason for Decision: As contained in the report.
Other Options Considered: As contained in the report.

12. URGENT PART 1 BUSINESS

None

13. EXCLUSION OF PRESS AND PUBLIC

It was **RESOLVED**:

1. That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Act, as amended by SI 2006 No. 88.
2. That having considered the reasons for the following items being in Part II it be determined that maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

PART II MINUTES – TUESDAY 18 OCTOBER 2016

It was **RESOLVED** that the Part II section of the Minutes of the meeting held on 18 October 2016 are approved as a correct record for signature by the Chair.

15. FINANCIAL SECURITY

The Executive considered a Part II report that an update on the Financial Security work stream undertaken during 2016/2017 and proposals relating thereto.

It was noted that details of this report had not appeared on the Forward Plan and therefore 28 days' notice had not been given of this Key decision to be taken in Part II. Accordingly the permission of the Chair of Overview & Scrutiny Committee had been obtained to allow the report to be considered on this occasion.

It was **RESOLVED** that subject to the deferral of proposal S7 recommendations in the report are approved.

Reason for Decision: As contained in the report and re. deferral of proposal of S7, to allow a strategic review in this area.

Other Options Considered: As contained in the report.

16. URGENT PART II BUSINESS

None

Chair